

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  INTERSTATE POWER AND LIGHT COMPANY	DOCKET NOS. RFU-03-7 WRU-03-41-150 (RPU-02-3, RPU-02-8, ARU-02-1)
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**ORDER APPROVING REFUND PLAN, GRANTING WAIVER,  
AND REQUIRING REPORT**

(Issued August 19, 2003)

On April 15, 2003, the Utilities Board (Board) issued its "Final Decision and Order" in Docket Nos. RPU-02-3, RPU-02-8, and ARU-02-1. On April 29, 2003, Interstate Power and Light Company (IPL) filed compliance tariffs that were approved on May 28, 2003. Applications for rehearing were filed by various parties and on June 6, 2003, the Board issued its "Order on Rehearing." The rehearing order slightly reduced IPL's revenue requirement from the April 15, 2003, final decision.

IPL filed a request for approval of a refund plan on July 18, 2003. Revised calculations were filed on July 30, 2003. Because the amount of the refund was approximately \$43,900, IPL asked for permission to flow the refund through its September 2003 energy adjustment clause, rather than issuing individual bill credits or refund checks. IPL also asked for a waiver of the Board's EAC rules, to the extent necessary. No objections to the refund plan were filed.

In support of its request, IPL said that administrative costs involved in processing bill credits or checks are significant in relation to the size of the refund. The Board agrees. While the Board prefers refunds to be given as bill credits or checks, the small amount of the refund and the administrative costs involved in processing it as a bill credit or check for individual customers dictate that a refund through the EAC is the most efficient and economical way to return the money to customers. The Iowa Supreme Court has held that the Board has discretion in determining the manner of distributing refunds. Office of Consumer Advocate v. Utilities Board, 486 N.W.2d 586 (Iowa 1992). The Board will approve the refund plan and waive, to the extent necessary, 199 IAC 20.9.

IPL will be required to file a refund report upon completion of the refund. The report must include the actual amount refunded and how this amount was calculated, the actual interest rate applied for each month of the refund period, the formula used for interest calculations, and a breakdown showing the exact amount of principal, interest, and sales tax refunded.

**IT IS THEREFORE ORDERED:**

1. The refund plan submitted by Interstate Power and Light Company on July 18, 2003, as revised on July 30, 2003, is approved.
2. To the extent necessary, the requirements of 199 IAC 20.9 are waived to allow the refund to flow through IPL's September 2003 energy adjustment clause.

3. Within 60 days of the completion of the refund, IPL shall file with the Utilities Board a refund report containing the information identified in the body of this order.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

Dated at Des Moines, Iowa, this 19<sup>th</sup> day of August, 2003.